

State of California  
Department of Insurance  
45 Fremont Street  
San Francisco, California 94105

**NOTICE OF ADOPTION OF EMERGENCY REGULATION  
PURSUANT TO GOVERNMENT CODE SECTION 11346.1(b)**

File No. ER02022856

July 19, 2002

California Insurance Commissioner Harry W. Low ("the Commissioner") hereby provides notice that he will submit the amendment of section 2130.3 of Article 3.5 of Subchapter 1 of Chapter 5 of Title 10 of the California Code of Regulations (CCR) to the Office of Administrative Law for approval pursuant to California Government Code Section 11346.1(b).

This Notice contains a description of the problem and the necessity for the regulation, a justification for the regulation, and the text of the regulation.

This Notice is provided to every person, group, and association that has previously filed a request for notices of regulatory action with the Commissioner.

The Department will submit this regulation to the Office of Administrative Law for adoption on an emergency basis, along with the Department's rulemaking file, not less than five (5) working days after the mailing of this Notice. Questions regarding this rulemaking action should be directed to:

California Department of Insurance  
Legal Division, Automobile Compliance Bureau  
Attn: Stan Bair, Staff Counsel  
45 Fremont Street, 21<sup>st</sup> Floor  
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**DESCRIPTION OF PROBLEM AND NECESSITY FOR REGULATION**

California Insurance Code section 1758.81 (Assembly Bill 62, Chapter 618, Statutes of 1999) established a procedure for applying to the Commissioner for a license as a Rental Car Agent. Pursuant to subdivision (a)(3) a fee is authorized to defray the actual costs of processing the application. Section 1758.81 (a)(3) also provides for a renewal fee. Pursuant to the statutory grant of authority establishing such a fee, Title 10 of the California Code of Regulations Section 2130.3 was adopted. Section 2130.3 set a license application fee of \$340; however, the regulation as originally adopted did not contain any reference to the amount of a license renewal fee. Without the proposed amendment, the Department of Insurance does not have regulatory authority to levy a renewal fee. The proposed regulatory amendment encompassed by this notice

implements and interprets the express statutory language by designating a license renewal fee of \$340. As a result of this amendment the regulation hereby noticed will remedy the earlier omission by fully implementing, interpreting, and making specific the provisions of the law.

**JUSTIFICATION FOR ADOPTION OF EMERGENCY REGULATION**

The regulation is necessary to implement, interpret, and make specific the express provisions of California Insurance Code section 1758.81 that deal with Rental Car Agent License Renewal Fees.

**TEXT OF THE REGULATION TO BE ADOPTED**

The text of the regulation is attached.